

ADMINISTRATION AND FINANCE COMMITTEE

DATE: June 1, 2004

CALLED TO ORDER: 5:03 p.m.

ADJOURNED: 5:25 p.m.

ATTENDANCE

Attending Members

Jackie Nytes, Chairwoman
Rebecca Langsford
Lynn McWhirter
Joanne Sanders
Steve Talley

Absent Members

Vernon Brown
Lincoln Plowman

AGENDA

PROPOSAL NO. 172, 2004 – establishes a County Option Income Tax (COIT) Rainy Day Fund
“Strike”
Vote: 5-0

Marion County Salary Study Briefing – Terry Nelson, Deputy Auditor

ADMINISTRATION AND FINANCE COMMITTEE

The Administration and Finance Committee of the City-County Council met on Tuesday, June 1, 2004. Chairwoman Jackie Nytes called the meeting to order at 5:03 p.m., with the following members present: Rebecca Langsford, Lynn McWhirter, Joanne Sanders, and Steve Talley. Absent were Vernon Brown and Lincoln Plowman.

Proposal No. 172, 2004 – establishes a County Option Income Tax (COIT) Rainy Day Fund

Chairwoman Nytes stated that Proposal No. 172, 2004 had been tabled at an earlier meeting. A different version was introduced and passed by the Council, therefore she entertained a motion to “Strike” the proposal.

Councillor Talley moved, seconded by Councillor Sanders, to “Strike” Proposal No. 172, 2004. The motion carried by a vote of 5-0.

Marion County Salary Study Briefing – Terry Nelson, Deputy Auditor

Chairwoman Nytes stated that in the past few weeks as members of the Council have participated in a number of hearings about the status of City and County budgets, one piece of information repeatedly brought up to the Councillors was a concern about the County salaries and their impact on turnover in various agencies. She introduced Terry Nelson, Deputy Auditor, to give a briefing on the Salary Study.

Mr. Nelson explained Exhibit A. He said the purpose of the study is to do an independent external evaluation of the competitiveness of the compensation and benefits provided to County employees. The company that is going to be providing the comparison will be Watson Wyatt, the same firm that did the City study. He said the current program for County employees, which was implemented in 1991 and updated in 1996, currently has 21 grades (A12 through E83), A12 being the lowest and E83 being the highest. Mr. Nelson said there may be a possibility to reduce the number of grades the County has compared to the City, which has 16 grades. The County has approximately 350 distinct job titles, and 250 of those titles are currently occupied by about 2,700 employees. The County has more than 2,700 employees. Over 400 employees are merit deputies therefore they would not be in one of the classified positions.

Councillor Sanders asked what some of the positions are that are currently not filled. Mr. Nelson said there are a number of miscellaneous positions at different grades that are not filled. Councillor Sanders said that she was just curious if maybe there are titles that no longer function within County government that could be dissolved. Mr. Nelson said that he would like to eliminate those, but wants to keep some of the job descriptions in the inventory just in case someone is in need of them.

Mr. Nelson said they have provided their vendor with 50 benchmark positions to be analyzed using external market data and 18 City-County jobs to do an internal comparison between City and County jobs. He added that they are expecting feedback on benefits review. The vendor will do a comparison analysis of their benefits and give them a total combined benefit relative value.

This will help them know what they provide to their employees compared to other City employers.

Councillor Talley said the courts offer some days off that some of the County agencies do not. He asked if comparison will be made with the courts. Mr. Nelson said that he has not included the days the courts have off, but he has not completed the benefit analysis and will include that information. Chairwoman Nytes said that Councillor McWhirter had questions on holiday issues. She asked Councillor McWhirter if her questions will be addressed. Councillor McWhirter said it will address her concerns if Mr. Nelson includes the court days off in his benefit analysis.

Mr. Nelson said that he has gone back to review the benchmark positions that were provided to Watson Wyatt to make sure he included those positions brought forward in the 2004 Budget Review to see where they are in those agencies compensation and comparison. He said they do not have any data from Watson Wyatt for their project outcomes. He expects that Watson Wyatt will give them an update for their salary structure and then they will bring it to the Council to decide what changes if any the Council would like to go forward with.

Councillor McWhirter asked if they anticipate the Council to have the updated data before they decide budgets this year. Mr. Nelson said he hopes so. He expects a draft report by July 1, 2004.

Mr. Nelson said they will have an individual impact analysis, if there is some recommendation based on the comparison, external market, and the internal equity with city positions. They expect some changes there as far as individual positions. He said with the total combined benefit relative value, they will know what their package is worth and how it compares to other employers similar in size.

Chairwoman Nytes asked if they anticipate addressing the concern of a living wage. Mr. Nelson said it is possible. He said their minimum salary for their lowest grade (A12) is \$13,245; the city minimum for its lowest grade is \$18,810. He said he hopes that some of their questions can be addressed by the update on their current salary schedule.

Chairwoman Nytes asked if they have any standardized policy as to where an individual is placed when they are brought into the salary schedule or do they provide any guidance to the County offices on how to implement the salary schedule. Mr. Nelson said the only guidance they have is that they must place the individual between the minimum and the maximum. He said that he would expect that those who have less experience will be placed near the minimum and those with more experience will be placed near the maximum.

Chairwoman Nytes asked if the report will provide alternatives for implementation methodology. Mr. Nelson said it will include those recommendations.

Councillor Talley asked how many employees make less than \$18,000 a year within agencies. Mr. Nelson said that he will update his list and have it available to the Councillors.

Councillor Sanders asked if there is anyone at this point making the salary grade of A12 (\$13,245). Mr. Nelson said not to his knowledge. Ms. Womacks, County Auditor, said there were some people at the juvenile court who were at the lowest that she was aware of. Their positions were related to cleaning. Mr. Nelson said he shows they have 8 employees, as of May 25, 2004, classified in A12, but he does not know if they make \$13,245. Councillor Sanders asked what the high end of A12 is. Mr. Nelson said the high end of A12 is \$18,542.

Councillor Talley asked if career paths are developed for employees. Mr. Nelson said they do have career paths identified for employees.

Ms. Womacks said most County offices work 37.5 hours compared to the 40 hours City employees work, which will be brought out in this study.

Councillor Nytes asked who is on the Job Classification and Compensation board. Mr. Nelson said the Auditor chairs the board, and other members include the Clerk, Prosecutor, Information Services Agency (I.S.A), judge of the Circuit Court, representative of the township assessors, and the Guardian Home. He said he has pending a representative from the courts and the Sheriffs department. Councillor Nytes asked if the compensation is set by City ordinance. Mr. Nelson replied in the affirmative.

CONCLUSION

With no further business pending, and upon motion duly made, the Administration and Finance Committee of the City-County Council was adjourned at 5:25 p.m.

Respectfully submitted,

Jackie Nytes, Chairwoman
Administration and Finance Committee

JN/as